### ELLIOTT & ELLIOTT, P.A.

#### ATTORNEYS AT LAW

1508 Lady Street
COLUMBIA, SOUTH CAROLINA 29201
selliott@elliottlaw.us

SCOTT ELLIOTT

TELEPHONE (803) 771-0555 FACSIMILE (803) 771-8010

April 12, 2012

#### **VIA E FILING**

Jocelyn D. Boyd, Esquire Chief Clerk and Administrator South Carolina Public Service Commission 101 Executive Center Drive Columbia, SC 29210

RE:

Application of Global Connection, Inc. of America d/b/a Stand Up Wireless for

Designation as an Eligible Telecommunications Carrier in the State of South Carolina

Dear Ms. Boyd:

Enclosed please find for filing the Application of Global Connection, Inc. for Designation as an Eligible Telecommunications Carrier. By copy of this letter, I am serving the Office of Regulatory Staff.

If you have any questions or if I may provide you with any additional information, please do not hesitate to contact me.

Sincerely,

Elliott & Elliott, P.A.

Scott Elliott

SE/jcl

Enclosures

cc:

C. Dukes Scott, Esquire w/enc.

Lance J.M. Steinhart, Esquire

#### BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF SOUTH CAROLINA

	_		
IN RE:	)		
Application of Global Connection Inc. of America	)	Docket No.	
d/b/a STAND UP WIRELESS for Designation as an	)		
Eligible Telecommunications Carrier in the	)		
State of South Carolina	)		

APPLICATION OF GLOBAL CONNECTION INC. OF AMERICA D/B/A STAND UP WIRELESS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE OF SOUTH CAROLINA

> Lance J.M. Steinhart Lance J.M. Steinhart, P.C. 1725 Windward Concourse, Suite 150 Alpharetta, Georgia 30005 (770) 232-9200 (Phone) (770) 232-9208 (Fax)

E-Mail: lsteinhart@telecomcounsel.com

Attorney for Global Connection Inc. of America d/b/a STAND UP WIRELESS

#### TABLE OF CONTENTS

I.	INTR	ODUCT	TION	1
II.	UNIV	ERSAL	SERVICE OFFERING	3
	A.	Comp	any Overview	3
	B.	Propos	sed Lifeline Offering	4
	C.	Plan E	Enrollment	8
	D.	Prever	ntion of Waste, Fraud and Abuse	9
III.			ISSION HAS JURISDICTION TO DESIGNATE WIRELESS	11
	A.		TC Designation Request Is Consistent with Recent Commission lent	12
IV.	STAN DESI		WIRELESS SATISFIES THE REQUIREMENTS FOR ON AS AN ETC	12
	A.		Up Wireless Will Provide Service Consistent With the FCC's of Forbearance from Section 214's Facilities Requirements	13
	B.	Stand	Up Wireless Is a Common Carrier	14
	C.		Up Wireless Will Provide All Required Services and ionalities	14
		1.	Voice Grade Access to the Public Switched Telephone Network	14
		2.	Local Usage	14
		3.	Access to Emergency Services	15
		4.	Toll Limitation for Qualified Low-Income Customers	15
		5.	Other Services.	15
	D.		Up Wireless Will Advertise the Availability of Supported	16
	E.		Up Wireless Requests Designation Throughout its Service Area ath Carolina	17
	F.		ce Commitment Throughout the Proposed Designated Service	18
	G.	Netwo	ork Improvement Plan	18
	H.	Abilit	y to Remain Funcional in Emergency Situations	19
	I.	Comn	nitment to Consumer Protection and Service Quality	19
	J.	Local	Usage Requirement	19
	K.	Equal	Access Requirement	20
	L.	Finan	cial and Technical Capability	20

	M.	Stand Up Wireless Will Comply with Certification and Verification Requirements	21
	N.	Stand Up Wireless Will Comply With All Regulations Imposed By The Commission	21
V.		GNATION OF STAND UP WIRELESS AS AN ETC WOULD  OTE THE PUBLIC INTEREST	22
	A.	Advantages of Stand Up Wireless' Service Offering	22
	B.	The Benefits of Competitive Choice	24
	C.	Impact on the Universal Service Fund.	25
VI.	ANTI-	DRUG ABUSE CERTIFICATION	26
VII	CONC	LUSION	26

#### TABLE OF EXHIBITS

	Exhibit
Certifications of Dave Skogen, Chief Executive Officer of Global Connection Inc. of America d/b/a STAND UP WIRELESS	1
Proposed Lifeline Offering	2
Sample Customer Enrollment Form	3
Stand Up Wireless' Compliance Plan	4
Sample Advertisement	5
Proposed Advertising Plan	6
2010 Lifeline Participation Rates by State	7
Wire Centers	8
Key Management Resumes	9

### BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF SOUTH CAROLINA

	)		
IN RE:	)		
II ( RE).	(		
	)		
Application of Global Connection Inc. of America	)	Docket No.	
d/b/a STAND UP WIRELESS for Designation as an	í	-	_
	,		
Eligible Telecommunications Carrier in the	)		
State of South Carolina	)		

# APPLICATION OF GLOBAL CONNECTION INC. OF AMERICA D/B/A STAND UP WIRELESS FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE OF SOUTH CAROLINA

#### I. INTRODUCTION

Global Connection Inc. of America d/b/a STAND UP WIRELESS ("Stand Up Wireless" or the "Company"), by its undersigned counsel, and pursuant to Section 214(e)(2) of the Communications Act of 1934, as amended (the "Act")<sup>1</sup> and Sections 54.101 through 54.207 of the Rules of the Federal Communications Commission ("FCC"),<sup>2</sup> and the rules and regulations of the Public Service Commission of South Carolina ("Commission"),<sup>3</sup> hereby submits this Application for Designation as an Eligible Telecommunications Carrier ("ETC") in the State of South Carolina. Stand Up Wireless seeks ETC designation solely to provide Lifeline service to qualifying South Carolina consumers; it will not seek access to funds from the federal Universal Service Fund ("USF") for the purpose of participating in the Link-Up program or providing service to high cost areas.<sup>4</sup> As demonstrated herein, and as certified in Exhibit 1, Stand Up

<sup>&</sup>lt;sup>1</sup> 47 U.S.C. § 214(e)(2).

<sup>&</sup>lt;sup>2</sup> 47 C.F.R. §§ 54.101-54.207.

<sup>&</sup>lt;sup>3</sup> See S.C. Code Regulation §103-690.

<sup>&</sup>lt;sup>4</sup> Given that Stand Up Wireless only seeks support from the low-income program and does not seek any high-cost support, ETC certification requirements for the high-cost program are not applicable to the Company.

Wireless meets all the statutory and regulatory requirements for designation as an ETC in the State of South Carolina, including the new requirements outlined in the FCC's *USF/ICC Transformation Order*<sup>5</sup> and *Lifeline and Link Up Reform Order*.<sup>6</sup> Rapid grant of Stand Up Wireless' request, moreover, would advance the public interest because it would enable the Company to commence much needed Lifeline service to low-income South Carolina residents as soon as possible. Accordingly, the Company respectfully requests that the Commission expeditiously approve this Application for ETC designation.

All correspondence, communications, pleadings, notices, orders and decisions relating to this Application should be addressed to:

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
Attorney for Global Connection Inc. of America d/b/a STAND UP WIRELESS
1725 Windward Concourse, Suite 150
Alpharetta, Georgia 30005
(770) 232-9200 (Phone)
(770) 232-9208 (Fax)
E-Mail: lsteinhart@telecomcounsel.com

#### With a copy to:

Applicant's local counsel:

Scott Elliott, Esq. Elliott & Elliott, P.A. 1508 Lady Street Columbia, SC 29201 (803) 771-0555 (Phone)

\_

In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) ("USF/ICC Transformation Order").

<sup>&</sup>lt;sup>6</sup> In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("Lifeline and Link Up Reform Order").

#### II. UNIVERSAL SERVICE OFFERING

#### A. Company Overview

Global Connection Inc. of America ("Global Connection") is a Georgia Corporation.<sup>7</sup> Its principal office is located at 5555 Oakbrook Parkway, Suite 620, Norcross, Georgia 30093. Global Connection provides local exchange telecommunications services throughout the United States and is designated as an ETC on a wireline basis in Alabama, Arkansas, Georgia, Louisiana, Michigan, and North Carolina. Stand Up Wireless is a provider of commercial mobile radio service ("CMRS") throughout the United States and provides prepaid wireless telecommunications services to consumers by using the Sprint Spectrum L.P. ("Sprint") network on a wholesale basis. Stand Up Wireless obtains from Sprint the network infrastructure, including wireless transmission facilities, to allow the Company to operate as a Mobile Virtual Network Operator ("MVNO"). Stand Up Wireless has been designated as an ETC in Arkansas, Louisiana, Maryland and West Virginia and currently has applications for ETC designation pending with Illinois, Georgia, Missouri, and Michigan; no such petitions have been denied.

Stand Up Wireless' prepaid wireless services that are affordable and easy to use are attractive to low-income and lower-volume consumers, providing them with access to emergency services and a reliable means of communication that can be used both at home and while traveling to remain in touch with friends and family and for contacting prospective employers. Stand Up Wireless offers consumers simple and affordable prepaid calling plans, a variety of prepaid service plans, easy-to-use handsets and high-quality customer service. Given its pricing and marketing strategy and the demographics of other, similar MVNOs' customers, Stand Up Wireless anticipates

<sup>7</sup> Global Connection was incorporated in the State of Georgia on June 1, 1998.

that many of its customers will be from low-income backgrounds and will not previously have enjoyed access to wireless service because of economic constraints, poor credit history, or sporadic employment. Stand Up Wireless does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service.

By providing affordable wireless plans and quality customer service to consumers who are otherwise unable to afford them, or were previously ignored by traditional carriers, Stand Up Wireless will expand the availability of wireless services to many more consumers, which is the principal reason that Congress created the universal service program.

#### B. Proposed Lifeline Offering

Stand Up Wireless has the ability to provide all services and functionalities supported by the universal service program, as detailed in Section 54.101(a) of the FCC's Rules (47 C.F.R. § 54.101(a)) throughout South Carolina. Stand Up Wireless intends to be a leader in the prepaid marketplace by offering consumers exceptional value and competitive amounts of voice usage at all price points.

The Company's Lifeline service offering will provide customers with the same features and functionalities enjoyed by all other Stand Up Wireless prepaid customers, with one notable exception: prepaid Lifeline services will not require payment of an out-of-pocket fee by subscribers, but instead, Stand Up Wireless will receive support from the Lifeline program as compensation for providing those services. Stand Up Wireless' free Lifeline plan (StandUp 100) includes separate pools of both voice minutes and text minutes. Competing Lifeline wireless providers typically deplete voice minutes when text is used, reducing the available voice minutes available to customers and thereby reducing the provider's per customer cost because text messaging costs are typically much lower than voice minute costs. According to Pew Research

Center, in May 2010, seventy-two percent (72%) of adults reported sending or receiving a text message. Since text messages draw from their own pool, Stand Up does not deplete the pool of voice minutes available for use of text messages and vice versa. Separate pools for both voice minutes and text messages are in the consumers' best interest as it preserves critical voice minutes for consumers who utilize text messaging.

Under the Company's Wireless Lifeline Plan, Stand Up Wireless customers will have several options to choose from. In addition to StandUp 100, customers will also be permitted to select one of Stand Up Wireless' alternative plans, which offer customers the opportunity to receive more text units and voice units. Such alternative plans will be offered to Lifeline customers at a subsidized rate. Where Stand Up Wireless customers select an alternative plan, Stand Up Wireless will apply the total Lifeline subsidy of \$9.25 per month to the retail rate of the alternative plan. Competing Lifeline wireless providers typically offer only a base package with required retail top up to add more voice minutes and/or texts. The initial plans offered by Stand Up Wireless are as follows:

StandUp 100. Stand Up Wireless will provide qualified Lifeline customers with a monthly allotment of 100 free anytime local and long distance minutes and 100 free SMS text messages, and all applicable taxes and fees will be included. Thus, Stand Up Wireless will use all Lifeline support to allow the Company to provide the service with no monthly recurring charge, ensuring that the consumer receives 100% of all universal service support funding for which the Company will seek reimbursement. Unused minutes and unused SMS text messages will rollover from month to month.

<sup>8</sup> Amanda Lenhart, *Adults, Cell Phones and Texting*, Pew Research Center Publications, September 2, 2010.

5

**StandUp 250.** Stand Up Wireless will provide qualified Lifeline customers with a monthly allotment of 250 free anytime local and long distance minutes, and all applicable taxes and fees will be included. Unused minutes will rollover from month to month.

**StandUp 500.** Stand Up Wireless expects to provide qualified Lifeline customers with a monthly allotment of 500 anytime local and long distance minutes and 500 SMS text messages at a cost of \$14.95 per month, excluding applicable taxes and fees. Unused minutes and unused SMS text messages do not rollover from month to month in this plan.

**StandUp 1000.** Stand Up Wireless expects to provide qualified Lifeline customers with a monthly allotment of 1000 anytime local and long distance minutes and 1000 SMS text messages at a cost of \$29.95 per month, excluding applicable taxes and fees. Unused minutes and unused SMS text messages do not rollover from month to month in this plan.

**StandUp Unlimited.** Stand Up Wireless expects to provide qualified Lifeline customers with unlimited voice minutes for \$34.95 per month, excluding applicable taxes and fees; however this plan does not included SMS text messaging. Unused minutes do not rollover from month to month in this plan.

New Stand Up Wireless customers must choose a plan upon enrollment. If the customer selects a non-FREE plan, payment must be made directly to Stand Up Wireless or one of its designated payment agent locations prior to activation of service. Existing Stand Up Wireless customers who wish to switch plans may do so at <a href="https://www.StandUpWireless.com">www.StandUpWireless.com</a> or by calling a toll free number. Stand Up Wireless customers who select one of the three (3) non-FREE plans must make payment for their upcoming service period five (5) days prior service period end date. Customers who fail to make payment prior to the deadline will be automatically changed to the

free StandUp 100 plan with 100 free airtime minutes and 100 free SMS text messages for the subsequent service period.

Calls made to Stand Up Wireless customer service made by customers via their Stand Up Wireless handset will not deplete the customer's available airtime. Stand Up customers can contact Stand Up Wireless customer service by dialing a short code (e.g. \*611) from their Stand Up Wireless phone to address billing, service and general account issues with all voice minutes used in association with such calls being credited to the customer's account. Customers whose balance of voice minutes has been exhausted will still be able to make outbound calls to Stand Up Wireless customer service as long as their service is active. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes.

In the event that all airtime subscribed to has been used, Lifeline customers will have the ability to purchase additional time. At this time additional credits may be purchased at the rate of \$5.00 for 40 credits; \$10.00 for 100 credit; \$20.00 for 250 credits, \$30.00 for 500 credits; and \$50.00 for 1000 credits by calling our toll free number or at <a href="https://www.StandupWireless.com">www.StandupWireless.com</a>. Credits may also be purchased at any authorized Stand Up Wireless payment center. Each credit provides one (1) minute of airtime or one (1) SMS text message.

All Lifeline plans will also include a free handset and the following Custom Calling features at no charge:

- (1) Caller ID;
- (2) Call Waiting;
- (3) Call Forwarding;
- (4) 3-Way Calling
- (5) Voicemail.

Upon certification of the customer for Lifeline, wireless handsets will be delivered, at no charge, and the requisite number of minutes will be added upon service activation. Stand Up

Wireless will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service.

Attached hereto as Exhibit 2 is a summary table of the Company's proposed Lifeline offering. As Exhibit 2 demonstrates, the Company's Lifeline offering will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but also will bring a variety of rate plans into the reach of eligible customers that are comparable in minutes and features to those available to post-paid wireless subscribers – but at low Lifeline rates and without a the burden of credit checks or service contracts. Stand Up Wireless' prepaid offering will be an attractive alternative for consumers who need the mobility, security, and convenience of a wireless phone, but who are concerned about usage charges or long-term contracts.

#### C. Plan Enrollment

Customers interested in obtaining information on the Lifeline program will be directed to a toll-free telephone number and to the Company's website, which will contain information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. Customers may then request that an enrollment form be mailed to them, or they can download a form from the internet or retrieve a form in person. Applicants must complete the enrollment form, which will include a place where applicants must attest and certify under penalty of perjury that they satisfy the requisite eligibility criteria. The certification forms will explain in clear, easily understandable language that:

(1) Lifeline is a federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program; (2) only one Lifeline service is available per household; (3) a household is defined, for

 $<sup>^9</sup>$  The Company's Lifeline terms and conditions can be found at  $\underline{www.StandUpWireless.com}$ .

<sup>&</sup>lt;sup>10</sup> See Exhibit 3 for the Company's draft customer enrollment form for South Carolina.

purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; (4) a household is not permitted to receive Lifeline benefits from multiple providers; (5) violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the applicant's de-enrollment from the program; and (6) Lifeline is a non-transferable benefit and the applicant may not transfer his or her benefit to any other person.

Certification forms will also state that: (1) the service is a Lifeline service, (2) Lifeline is a government assistance program, and (3) only eligible consumers may enroll in the program. In addition, the Company will notify the applicant that the prepaid service must be personally activated by the subscriber and the service will be deactivated and the subscriber de-enrolled if the subscriber does not use the service for 60 days.

Stand Up Wireless' certification form will also require all consumers, at sign up and annually thereafter, to provide the information and certifications, under penalty of perjury, required by revised CFR § 54.410(d). Processing of consumers' applications, including review of all application forms and relevant documentation, will be performed under the Company's supervision by managers experienced in the administration of the Lifeline program. Stand Up Wireless will annually re-certify the continued eligibility of all of its subscribers.

#### D. Prevention of Waste, Fraud and Abuse

Stand Up Wireless recognizes the importance of safeguarding the USF. Therefore, the Company has implemented the following 60-day non-usage policy in an effort to avoid waste, fraud, and abuse of the program. Stand Up Wireless will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period. Stand Up Wireless will notify its subscribers at service initiation about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result

<sup>&</sup>lt;sup>11</sup> See Lifeline and Link Up Reform Order page 227-29.

 $<sup>^{12}</sup>$  See Lifeline and Link Up Reform Order at § 257.

following non-usage in any 60-day period of time. An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue. Stand Up Wireless will provide the subscriber 30 days' notice, using clear, easily understood language, that the subscriber's failure to use the Lifeline service within the 30-day notice period will result in service termination for non-usage; such notice may be given after 30 days of non-usage. Customers that have been deactivated may participate in the Company's Lifeline service in the future by reapplying and reestablishing eligibility.

To further protect the integrity of the USF, Stand Up Wireless has contracted with CGM, LLC, a Georgia-based lifeline service bureau, to edit all subsidy request data. CGM will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described above, Stand Up Wireless ensures that it does not over-request from support funds.

13 See id.

 $<sup>^{14}</sup>$  See Lifeline and Link Up Reform Order at  $\P$  261.

#### III. THE COMMISSION HAS JURISDICTION TO DESIGNATE WIRELESS ETCS

Section 214(e)(2) of the Act provides state public utility commissions with the "primary responsibility" for the designation of ETCs. 15 Although Section 332(c)(3)(A) of the Act prohibits states from regulating the entry of or the rates charged by any provider of commercial mobile service or any private mobile service, this prohibition does not allow states to deny wireless carriers ETC status. 16 Therefore, the Commission has the authority to designate Stand Up Wireless as an ETC. Pursuant to this authority, the Commission has historically participated in determining whether to grant ETC status to an applying carrier, including any requesting wireless carrier.<sup>17</sup> Under the Act, a state public utility commission with jurisdictional authority over ETC designations must designate a common carrier as an ETC if the carrier satisfies the requirements of Section 214(e)(1). Stand Up Wireless recognizes that Section 214(e)(1)(A) of the Act states that ETCs shall offer services, at least in part, over their own facilities and that Section 54.201(i) of the FCC's Rules (47 C.F.R. § 54.201(i)) prohibits state commissions from designating as an ETC a telecommunications carrier that offers services exclusively through the resale of another carrier's services. However, the FCC recently granted forbearance from enforcement of this facilities requirement to carriers seeking Lifeline-only ETC designation. 18 Section 10(e) of the Act (47 U.S.C. § 160(e)) provides: "[a] State commission may not continue to apply or enforce any provision of this chapter that the [Federal Communications] Commission has determined to forbear from applying under subsection (a) of this section." As such, the

<sup>&</sup>lt;sup>15</sup> 47 U.S.C. § 214(e)(2).

<sup>&</sup>lt;sup>16</sup> See Federal-State Joint Board on Universal Service, First Report and Order, 12 FCC Rcd 8776, 8858-59, ¶ 145 (1997) ("USF Order").

<sup>&</sup>lt;sup>17</sup> See e.g., Application of TracFone Wireless, Inc. for Designation as an Eligible Telecommunications Carrier in the State of South Carolina for the Limited Purpose of Offering Lifeline Service to Qualified Households, Docket No. 2009-144-C, Order No. 2010-231 (Mar. 30, 2010) ("TracFone ETC Order").

<sup>&</sup>lt;sup>18</sup> See Lifeline and Link Up Reform Order at ¶ 368.

Commission is required by Section 10(e) to act in accordance with the FCC's grant of forbearance, and therefore, may not apply the facilities-based requirement to Stand Up Wireless. Therefore, the Commission has the authority under Section 214(e)(2) of the Act to grant Stand Up Wireless' request for designation as an ETC throughout the State of South Carolina.

### A. The ETC Designation Request Is Consistent with Recent Commission Precedent

Stand Up Wireless' request for ETC designation to participate in the Lifeline program is consistent with the Commission's designation of TracFone as an ETC. <sup>19</sup> In its decision, the Commission determined that designation of a prepaid wireless provider as an ETC would serve the public interest. Stand Up Wireless requests that the Commission expeditiously process its ETC Application so that it can quickly commence providing qualifying low-income South Carolina customers with affordable USF-supported wireless services during these challenging economic times for all state residents. Designation of Stand Up Wireless as an ETC would further competition for wireless Lifeline services and would offer eligible consumers an additional choice of providers for accessing telecommunications services, representing a significant step towards ensuring that all low-income consumers share in the many benefits associated with access to wireless services.

### IV. STAND UP WIRELESS SATISFIES THE REQUIREMENTS FOR DESIGNATION AS AN ETC

Section 254(e) of the Act provides that "only an eligible telecommunications carrier designated under section 214(e) shall be eligible to receive specific federal universal service support." Section 214(e)(2) of the Act authorizes state commissions, such as the Commission, to designate ETC status for federal universal service purposes and authorizes the Commission to

<sup>19</sup> See TracFone ETC Order.

designate wireless ETCs.<sup>20</sup> Section 214(e)(1) of the Act and Section 54.201(d) of the FCC's rules provide that applicants for ETC designation must be common carriers that will offer all of the services supported by universal service, either using their own facilities or a combination of their own facilities and the resale of another carrier's services, except where the Commission has forborne from the "own facilities" requirement. Applicants also must commit to advertise the availability and rates of such services.<sup>21</sup> As detailed below, Stand Up Wireless satisfies each of the above-listed requirements.

## A. Stand Up Wireless Will Provide Service Consistent with the FCC's Grant of Forbearance from Section 214's Facilities Requirements

Although Section 214 requires ETCs to provide services using their facilities, at least in part, the Commission has forborne from that requirement with respect to carriers such as Stand Up Wireless. In the *Lifeline and Link Up Reform Order*, the Commission granted forbearance from the "own-facilities" requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:<sup>22</sup>

- (1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and
- (2) the carrier must file, and the Bureau must approve, a compliance plan providing specific information regarding the carrier's service offerings and outlining the measures the carrier will take to implement the obligations contained in this Order as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary."

<sup>&</sup>lt;sup>20</sup> USF Order, at 8858-59, ¶ 145.

<sup>&</sup>lt;sup>21</sup> See 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

<sup>&</sup>lt;sup>22</sup> See Lifeline and Link Up Reform Order at ¶¶ 368, 373 and 379.

Stand Up Wireless will avail itself of the FCC's grant of blanket forbearance. In accordance with the *Lifeline and Link Up Reform Order*, Stand Up Wireless filed its Compliance Plan with the FCC on March 8, 2012. A copy of its Compliance Plan is attached hereto as Exhibit 4. Stand Up Wireless commits to providing Lifeline service in South Carolina in accordance with the Compliance Plan and requests ETC designation in South Carolina contingent on the FCC's approval of its Compliance Plan.

#### B. Stand Up Wireless Is a Common Carrier

CMRS providers like Stand Up Wireless are treated as common carriers.<sup>23</sup>

#### C. Stand Up Wireless Will Provide All Required Services and Functionalities

Through its wholesale arrangements with Sprint, Stand Up Wireless is able to provide all of the services and functionalities required by S.C. Code Reg. § 103-690.C(a) and Section 54.101(a) and Section 54.202(a) of the FCC's Rules (47 C.F.R. § 54.101(a) and 47 C.F.R. § 54.202(a)) including the following:

#### 1. Voice Grade Access to the Public Switched Telephone Network

Stand Up Wireless provides voice grade access to the public switched telephone network ("PSTN") through the purchase of wholesale CMRS services from Sprint.

#### 2. Local Usage

As part of the voice grade access to the PSTN, an ETC must provide minutes of use for local service at no additional charge to end-users. The FCC has not specified a minimum

Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd 1411, 1425 ¶ 37, 1454-55 ¶ 102 (1994) (wireless resellers are included in the statutory "mobile services" category, and providers of cellular service are common carriers and CMRS providers); 47 U.S.C. § 332(c)(1)(A) ("mobile services" providers are common carriers); see also PCIA Petition for Forbearance for Broadband PCS, WT Docket No. 98-100, Memorandum Opinion and Order and Notice of Proposed Rulemaking, 13 FCC Rcd 16857, 16911 ¶ 111 (1998) ("We concluded [in the Second Report and Order] that CMRS also includes the following common carrier services: cellular service, ... all mobile telephone services and resellers of such services.") (emphasis added).

amount of local usage that an ETC must offer.<sup>24</sup> Stand Up Wireless offers a variety of rate plans that provide its customers with minutes of use for local service at no additional charge.

#### 3. Access to Emergency Services

Stand Up Wireless provides 911 and E911 access for all of its customers to the extent the local government in its service area has implemented 911 or E911 systems. Stand Up Wireless also complies with the FCC's regulations governing the deployment and availability of E911 compatible handsets.

#### 4. Toll Limitation for Qualified Low-Income Customers

In its *Lifeline and Link Up Reform Order*, the FCC stated that toll limitation would no longer be deemed a supported service.<sup>25</sup> "ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls."<sup>26</sup> Nonetheless, Stand Up Wireless' offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid, or pay-as-you-go, basis. Stand Up Wireless' service, moreover, is not offered on a distance-sensitive basis and local and domestic long distance minutes are treated the same. Stand Up Wireless will not seek reimbursement for toll limitation service.

#### 5. Other Services

While no longer required by 47 C.F.R. § 54.101(a), Stand Up Wireless provides dual tone multi-frequency ("DTMF") signaling to expedite the transmission of call set up and call detail information throughout the network, single party service for the duration of each telephone call

<sup>&</sup>lt;sup>24</sup> See e.g., In the Matter of Federal-State Joint Board on Universal Service, Recommended Decision 15 FCC Rcd 7331 (2002).

<sup>&</sup>lt;sup>25</sup> See Lifeline and Link Up Reform Order at  $\P$  367.

 $<sup>^{26}</sup>$  See Lifeline and Link Up Reform Order at  $\P$  49.

and not multi-party (or "party-line") services, access to operator services, the ability to make interexchange, or long distance, telephone calls, and access to directory assistance services by dialing "411" from the provided wireless handsets.

#### D. Stand Up Wireless Will Advertise the Availability of Supported Services

Stand Up Wireless will broadly advertise the availability and rates for the services described above using media of general distribution as required by S.C. Code Reg. § 103-690.C(a)(1)(C)(7) and Section 54.201(d)(2) of the FCC's regulations,<sup>27</sup> and in accordance with the requirements set forth in the Lifeline and Link Up Reform Order.<sup>28</sup> The Company will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline service, using many mediums for outreach including mass media, outreach events, and community and charitable involvement. <sup>29</sup> The Company will engage in advertising campaigns specifically targeted to reach those likely to qualify for Lifeline service, promoting the availability of cost-effective wireless services to this neglected consumer segment. Stand Up Wireless will also promote the availability of its Lifeline offering by distributing brochures at various state and local social service agencies, and intends to partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline service. Stand Up Wireless will also utilize its network of retail partners to help promote the availability of its Lifeline plans, especially those retail outlets that are frequented by low income consumers; examples include all Western Union and MoneyGram locations, independent operators including insurance providers, check cashing locations and select discount retailers. Stand Up Wireless

<sup>&</sup>lt;sup>27</sup> See 47 C.F.R. § 54.201.

<sup>&</sup>lt;sup>28</sup> See Lifeline and Link Up Reform Order at Section VII.F.

<sup>&</sup>lt;sup>29</sup> See attached Exhibit 5 for sample advertisements.

will provide retail vendors with signage to be displayed where Company products are sold, and with printed materials describing the Company's Lifeline program.

In accordance with section 103-690(C) of the Commission's rules, Stand Up Wireless has attached as Exhibit 6 a proposed two-year plan that describes the Company's plans for advertising and outreach programs for identifying, qualifying, and enrolling eligible participants in the Lifeline program.

Stand Up Wireless will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service: (1) it is a Lifeline service, (2) Lifeline is a government assistance program, (3) the service is non-transferable, (4) only eligible consumers may enroll in the program, (5) the program is limited to one discount per household, (6) what documentation is necessary for enrollment, (7) Stand Up Wireless' name, and (8) consumers who willfully make a false statement in order to obtain the Lifeline benefit can be punished by fine or imprisonment or can be barred from the program.<sup>30</sup>

Statistics suggest that there are many eligible customers who are not yet aware of the programs. According to the best data available to the Company, as of December 31, 2010, fewer than 20% of consumers eligible for Lifeline Services in the State of South Carolina were being provided such services. Stand Up Wireless believes that its advertising and outreach efforts detailed above will inform consumers of the availability of Lifeline service in a manner that will result in higher participation by qualified consumers than has been the case in the past.

### E. Stand Up Wireless Requests Designation Throughout Its Service Area in South Carolina

 $<sup>^{30}</sup>$  See Lifeline and Link Up Reform Order at  $\P$  275.

See attached Exhibit 7, 2010 Lifeline Participation Rates by State, which was obtained from USAC, an independent not-for-profit corporation designated as the administrator of the federal Universal Service Fund by the FCC. USAC administers USF programs for high cost companies serving rural areas, low-income consumers, rural health care providers, and schools and libraries.

Stand Up Wireless is not a rural telephone company as defined in Section 153(37) of the Act (47 U.S.C. § 153(37)). Accordingly, Stand Up Wireless is required to describe the geographic area(s) within which it requests designation as an ETC. Stand Up Wireless requests designation as an ETC for its entire service area in South Carolina. Stand Up Wireless understands that its service area overlaps with rural carriers in South Carolina, but maintains that the public interest factors described below justify its designation in these carriers' service areas, especially because it seeks ETC designation solely to utilize USF funding to provide Lifeline service to qualified low-income consumers. It does not seek and will not accept Link-Up or high cost support.

#### F. Service Commitment Throughout the Proposed Designated Service Area

Stand Up Wireless provides service in South Carolina by reselling service which it obtains from its underlying facilities-based provider. The provider's network is operational and largely built out. Thus, Stand Up Wireless will be able to commence offering its Lifeline service to all locations served by its underlying carrier very soon after receiving approval from the Commission. Stand Up Wireless commits to comply with the service requirements applicable to the support that it receives.<sup>33</sup>

#### G. Network Improvement Plan

As set forth in the *Lifeline and Link Up Reform Order*, a common carrier seeking designation as a Lifeline-only ETC is not required to submit a five-year network improvement

<sup>&</sup>lt;sup>32</sup> A list of wire centers in which the Company requests ETC designation is attached hereto as Exhibit 8. Since the Company seeks ETC designation solely for low income support, a "cream skimming" analysis is unnecessary and Global Connection requests that the Commission waive that portion of Commission Regulation 103-690 requiring a "cream-skimming" analysis.

<sup>&</sup>lt;sup>33</sup> See Lifeline and Link Up Reform Order at page 208, revised § 54.202(a)(1)(i).

plan as part of its application for designation as an ETC.<sup>34</sup> In South Carolina, carriers seeking ETC designation only for the purpose of participation in the low-income programs are required, in lieu of the network improvement plan, to submit a two-year plan that describes the carrier's plans for advertising and outreach programs for identifying, qualifying, and enrolling eligible participants in the Lifeline program.

#### H. Ability to Remain Functional in Emergency Situations

In accordance with 47 CFR §54.202(a)(2), Stand Up Wireless has the ability to remain functional in emergency situations. Through its agreement with its underlying carrier, Stand Up Wireless provides to its customers the same ability to remain functional in emergency situations as currently provided by the ILECs to their own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, the ability to reroute traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations.

#### I. Commitment to Consumer Protection and Service Quality

Under FCC guidelines, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards.<sup>35</sup> The Company commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. Specifically, Stand Up Wireless commits to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service.

#### J. Local Usage Requirement

An applicant for ETC designation is no longer required to demonstrate that it offers a local usage plan that is "comparable" to the plan offered by the ILEC in the relevant service

 $<sup>^{34}</sup>$  See Lifeline and Link Up Reform Order at ¶ 386.

<sup>35</sup> See 47 C.F.R. § 54.202(a)(3).

territory.<sup>36</sup> Nevertheless, not only will the Company's offering be comparable to the underlying ILEC plans, it also will exceed them in several respects. Stand Up Wireless will offer customers a certain amount of service free of charge. In contrast to the ILEC plans, which contain relatively small local calling areas, Stand Up Wireless customers can use these free minutes to place calls statewide (and even nationwide) because Stand Up Wireless does not constrict customers' use by imposing a local calling area requirement. Stand Up Wireless will also provide Lifeline customers with E911 capabilities and access to voice mail, caller I.D., and call waiting services at no cost. The very nature of the wireless phone, i.e. mobility, has a tremendous benefit to many consumers, a benefit to which a monetary value cannot be easily assigned.

#### K. Equal Access Requirement

The FCC's Rules no longer require an applicant for ETC status to provide a certification that it acknowledges that the FCC may require it to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area.<sup>37</sup>

#### L. Stand Up Wireless is Financially and Technically Capable

Stand Up Wireless is financially and technically capable of providing Lifeline-supported services.<sup>38</sup> Global Connection has been offering non-Lifeline and Lifeline wireline service since 1998 and began providing non-Lifeline and Lifeline-supported wireless service in April 2011. The Company generates substantial revenues from non-Lifeline services and has access to capital from its investors. The majority owner of Global Connection is Milestone Partners, a Pennsylvania private equity firm. Consequently, Global Connection has not relied, and will not be relying exclusively on Lifeline reimbursement for the Company's operating revenues. The

<sup>&</sup>lt;sup>36</sup> See Lifeline and Link Up Reform Order at page 208, revised § 54.202(a).

<sup>37</sup> See id

 $<sup>^{38}</sup>$  See Lifeline and Link Up Reform Order at ¶ 387.

Company has not been subject to enforcement sanctions or ETC revocation proceedings in any state. Furthermore, the senior management of Stand Up Wireless has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.<sup>39</sup> Stand Up Wireless will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

# M. Stand Up Wireless Will Comply with Certification and Verification Requirements

Section 54.410 of the FCC's Rules requires ETCs to certify and verify a Lifeline customer's initial and continued eligibility. Stand Up Wireless will certify and verify consumer eligibility in accordance with the FCC's requirements, with applicable Commission rules, and with its Compliance Plan, which outlines how the Company will comply with the requirements set forth in the *Lifeline and Link Up Reform Order*.

### N. Stand Up Wireless Will Comply With Regulations Imposed By The Commission

By this Application, Stand Up Wireless hereby asserts its willingness and ability to comply with the rules and regulations that the Commission may lawfully impose upon the Company's provision of service contemplated by this Application. Stand Up Wireless certifies that all federal USF funding received will be used for Lifeline support and will be flowed through to the direct benefit of eligible low income consumers. On behalf of its South Carolina customers, Stand Up Wireless will contribute to the federal and state USF and will remit all applicable surcharges and fees in South Carolina, including the E911 surcharge. Stand Up Wireless will comply with the Commission's annual reporting requirements set forth in S.C.

<sup>&</sup>lt;sup>39</sup> See Exhibit 9 for key management resumes.

Code Regulation 103-690.1. Upon Commission request, Stand Up Wireless is prepared to answer questions or present additional testimony or other evidence about its services within the state.

### V. DESIGNATION OF STAND UP WIRELESS AS AN ETC WOULD PROMOTE THE PUBLIC INTEREST

One of the principal goals of the Act, as amended by the Telecommunications Act of 1996, is "to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies" to all citizens, regardless of geographic location or income. There is no question that designation of Stand Up Wireless as an ETC in South Carolina will further the public interest by providing South Carolina consumers, especially low-income consumers, with lower prices and higher quality services. Many low-income customers in South Carolina have yet to reap the full benefits of the intensely competitive wireless market. Whether because of financial constraints, poor credit history or intermittent employment, these consumers often lack the countless choices available to most consumers.

The instant request for ETC designation must be examined in light of the Act's goal of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers—particularly low-income consumers—receive affordable and comparable telecommunications services. Given this context, designating Stand Up Wireless as an ETC would significantly benefit low-income consumers eligible for Lifeline service in the State of South Carolina—the intended beneficiaries of universal service.

#### A. Advantages of Stand Up Wireless' Service Offerings

22

<sup>&</sup>lt;sup>40</sup> Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

The public interest benefits of the Company's wireless service include larger local calling areas (as compared to traditional wireline carriers), the convenience and security afforded by mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge, the ability to purchase additional usage at flexible and affordable amounts in the event that included usage has been exhausted, 911 service and, where available, E911 service in accordance with current FCC requirements. The Company's Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all Company customers. Stand Up Wireless' Lifeline rate plans will not only allow feature-rich mobile connectivity for qualifying subscribers at no cost to the subscriber, but also will bring a variety of rate plans into the reach of Lifeline customers that are comparable in minutes and features to those available to post-paid wireless subscribers – but at low Lifeline rates and without the burden of credit checks or contracts.

Stand Up Wireless' Lifeline program will provide low-income South Carolina residents with the convenience and security offered by wireless services—even if their financial position deteriorates. According to the U.S. Department of Labor Bureau, South Carolina's unemployment rate was 9.1% as of February 2012. The economic circumstances indicate that low-income individuals, now more than ever, can greatly benefit from the advantages offered by the Company's Lifeline service, thus allowing those adversely impacted by the failing economy or job loss to have access to a free wireless service to assist in emergency situations, facilitate job search efforts, and to maintain contact with family members.

It is also a commonly accepted fact that in today's market all consumers, including qualified Lifeline customers, view the portability and convenience of wireless service not as a luxury, but as a necessity. Mobile service allows children to reach their parents, wherever they

may be, allows a person seeking employment the ability to be contacted by potential employers, and provides end users with the ability to contact emergency service providers, regardless of location. Providing Stand Up Wireless with the authority necessary to offer discounted Lifeline service to those most in danger of losing wireless service altogether undoubtedly promotes the public interest.

Moreover, grant of Stand Up Wireless' Application will serve the public interest in increasing the number of ETCs in South Carolina. By granting ETC status to Stand Up Wireless, the Commission will enable Stand Up Wireless to increase the number of South Carolina residents receiving Lifeline support, thereby increasing the amount of USF money flowing into South Carolina. In sum, ETC designation in the State of South Carolina would enable Stand Up Wireless to provide all of the public benefits cited by the FCC in its analysis in the *Virgin Mobile Order*. Namely, Stand Up Wireless would provide "increased consumer choice, high-quality service offerings, and mobility," <sup>41</sup> as well as the safety and security of effective 911 and E911 services.

#### B. The Benefits of Competitive Choice

The benefits to consumers of being able to choose from among a variety of telecommunications service providers have been acknowledged by the FCC for more than three decades. Designation of Stand Up Wireless as an ETC will promote competition and innovation, and spur other carriers to target low-income consumers with service offerings tailored to their needs and to improve their existing networks to remain competitive, resulting in improved services to consumers. Designation of Stand Up Wireless as an ETC will help assure that quality services are available at "just, reasonable, and affordable rates" as envisioned in the

<sup>&</sup>lt;sup>41</sup> See Virgin Mobile Order, 24 FCC Rcd at 3395 ¶ 38.

<sup>&</sup>lt;sup>42</sup> See Id. at 3391 ¶ 23.

<sup>&</sup>lt;sup>43</sup> See, e.g., Specialized Common Carrier Services, 29 FCC Rcd 870 (1971).

Act.<sup>44</sup> Introducing Stand Up Wireless into the market as an additional wireless ETC provider will afford low income South Carolina residents a wider choice of providers and available services while enhancing the competitive marketplace as ETCs compete for a finite number of Lifeline-eligible customers. Increasing the competitive marketplace of providers has the potential to effectively increase the penetration rate and reduce the number of individuals not connected to the PSTN.

#### C. Impact on the Universal Service Fund

Stand Up Wireless' request for designation as an ETC solely for purposes of participating in the Lifeline program would not unduly burden the USF or otherwise reduce the amount of funding available to other ETCs. With Lifeline, ETCs only receive support for customers they obtain. The amount of support available to an eligible subscriber is exactly the same whether the support is given through a company such as Stand Up Wireless or the Incumbent LEC operating in the same service area. Stand Up Wireless will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETC's Lifeline program. By implementing the safeguards set forth in the Lifeline and Link-up Reform Order, Stand Up Wireless will minimize the likelihood that its customers are not eligible or are receiving duplicative support either individually or within their household. Significantly, the Company's designation as an ETC will not increase the number of persons eligible for Lifeline support. Stand Up Wireless' ability to increase the Lifeline participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service, and thus any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable

<sup>&</sup>lt;sup>44</sup> See 47 U.S.C. § 254(b)(1).

wireless services to low-income consumers. According to the FCC, "the additional choice and service options of another wireless reseller offering a service for low-income consumers represents a significant benefit for consumers and is in the public interest," and "A new entrant should incent existing wireless reseller ETCs to offer better service and terms to their customers, which provides additional evidence that forbearance in the context of the Lifeline program outweighs the potential costs."

#### VI. ANTI-DRUG ABUSE CERTIFICATION

Stand Up Wireless certifies that no party to this Application is subject to denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

#### VII. CONCLUSION

Based on the foregoing, designation of Stand Up Wireless as an ETC in the State of South Carolina accords with the requirements of Section 214(e)(2) of the Act and is in the public interest.

WHEREFORE, Stand Up Wireless respectfully requests that the Commission promptly designate Stand Up Wireless as an ETC in the State of South Carolina.

Respectfully submitted,

Scott Elliott, Esq. Elliott & Elliott, P.A. 1508 Lady Street

Columbia, SC 29201

(803) 771-0555 (Phone)

(803) 771-8010 (Fax)

selliott@elliottlaw.us (Email)

and

=

<sup>&</sup>lt;sup>45</sup> See Petition of i-wireless, LLC for Forbearance from 47 U.S.C § 214(e)(1)(A), Order, FCC 10-117 (rel. June 25, 2010) at ¶ 19.

Lance J.M. Steinhart
Lance J.M. Steinhart, P.C.
1725 Windward Concourse, Suite 150
Alpharetta, Georgia 30005
(770) 232-9200 (Phone)
(770) 232-9208 (Fax)
<a href="mailto:lsteinhart@telecomcounsel.com">lsteinhart@telecomcounsel.com</a> (Email)

April 13, 2012

Attorneys for Global Connection Inc. of America d/b/a STAND UP WIRELESS

#### **EXHIBIT 1**

Certifications of Dave Skogen, Chief Executive Officer of Global Connection Inc. of America d/b/a STAND UP WIRELESS

State of Georgia )
County of Gwinnett )
Certification
Personally appeared before the undersigned, an officer duly authorized to administer oaths, Dave Skogen, who first being duly sworn, deposes and states that he is the Chief Executive Officer of Global Connection Inc. of America d/b/a STAND UP WIRELESS, Applicant in this application, and has read the same and knows the contents thereof, and confirms that the statements made herein are true to the best of his knowledge and belief.
Dated: 3/19/12
0.82
Dave Skogen, Chief Executive Officer
Subscribed and sworn to before me this 4 day of March 2012.
(Notary Scal) SENIA (Signature of person authorized to administer oath)  My Commission Expires BLIC (Signature of person authorized to administer oath)

#### **EXHIBIT 2**

#### **Proposed Lifeline Offering**

#### All Options Include:

Free handset

Voicemail, Caller-ID, call waiting, three-way calling, call forwarding

#### Option 1

#### StandUp 100

100 anytime minutes per month

100 SMS text messages

(Unused minutes and unused SMS text messages will rollover from month to month)

Net cost to Lifeline customer: \$0 (free)

#### Option 2

#### StandUp 250

250 anytime minutes per month

(Unused minutes will rollover from month to month)

Net cost to Lifeline customer: \$0 (free)

#### **Option 3**

#### StandUp 500

500 anytime minutes per month

500 SMS text messages

Net cost to Lifeline customer: \$14.95 per month, plus applicable taxes and fees

#### **Option 4**

#### StandUp 1000

1000 anytime minutes per month

1000 SMS text messages

Net cost to Lifeline customer: \$29.95 per month, plus applicable taxes and fees

#### Option 5

#### StandUp Unlimited.

Unlimited minutes per month

Net cost to Lifeline customer: \$29.95 per month, plus applicable taxes and fees

At this time additional credits may be purchased at the rate of \$5.00 for 40 credits; \$10.00 for 100 credits; \$20.00 for 250 credits, \$30.00 for 500 credits; and \$50.00 for 1000 credits. Each credit provides one (1) minute of airtime or one (1) SMS text message.

#### **EXHIBIT 3**

#### **Draft Customer Enrollment Form**



#### Global Connection Inc. of America

### Global Connection Inc. of America D/B/A StandUP Wireless State Wireless Lifeline Service Application and Certification

Mail or fax form completed and signed form to: Fax 1.888.878.9323 / Customer Service: 1.800.544.4441

A complete and signed Lifeline Service Application and Certification ("Certification") is required to enroll you in Global Connection Inc. of America D/B/A StandUP Wireless ("the Company's") Lifeline service program in your state. This Certification is only for the purpose of verifying your eligibility for Lifeline service and will not be used for any other purpose. Service requests will not be processed until this Form has been received and verified by Company.

One Lifeline service per household disclosures: Lifeline is a government assistance program and willfully making false statements to obtain a Lifeline benefit can result in fines, imprisonment, de-enrollment or being barred from the program. Lifeline benefits are limited to a single line of service per household. A household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses. A household may not receive multiple Lifeline discounts. You may apply your Lifeline discount to either one landline or one wireless number, but you cannot have the discount on both and you cannot receive Lifeline benefits from multiple providers. Note that not all Lifeline services are currently marketed under the name Lifeline. Lifeline is a nontransferable benefit and you may not transfer your benefit to any other person, including another eligible low-income consumer. Violation of the one-per-household limitation constitutes a violation of the Federal Communications Commission's rules and will result in your de-enrollment from the program, and potentially prosecution by the United States Government.

□ I hereby certify that I have read and understood the disclosures listed above and that, to the best of my knowledge, my household is not already receiving a Lifeline service benefit.

Customer eligibility certification: I hereby certify that I p	articipate in at least one of the following programs
(check one):	
☐ Supplemental Nutrition Assistance Program (SNAP)	☐ Temporary Assistance for Needy Families (TANF)
☐ Section 8 Federal Public Housing Assistance (FPHA)	☐ Low Income Home Energy Assistance Program (LIHEAP)
☐ Medicaid (not Medicare)	<ul> <li>National School Lunch Program's free lunch program</li> </ul>
☐ Supplemental Security Income (SSI)	☐ Income at or below 135% of Federal Poverty Guidelines

Additional certifications: I hereby certify, under penalty of perjury, that (Check the box next to each line):

- I meet the income-based or program-based eligibility criteria for receiving Lifeline service and have provided documentation of eligibility if required
- I will notify the Company within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline including, as relevant, if I no longer meet the income-based or program-based eligibility criteria, I begin receiving more than one Lifeline benefit, or another member of my household is receiving a Lifeline benefit. I understand that I may be subject to penalties if I fail to follow this requirement
- □ I am not listed as a dependent on another person's tax return (unless over the age of 60)
- The address listed below is my primary residence, not a second home or business
- If I move to a new address, I will provide that new address to the Company within 30 days
- If I provided a temporary residential address to the Company, I will verify my temporary residential address every 90 days
- □ I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law
- □ I acknowledge that I may be required to re-certify my continued eligibility for Lifeline at any time, and my failure to re-certify as to my continued eligibility within 30 days will result in de-enrollment and the termination of my Lifeline benefits
- The information contained in this certification form is true and correct to the best of my knowledge

#### Multiple households sharing and address:

I hereby certify that I reside at an address occupied by multiple households, including adults who do not contribute income to my household and/or share in my household's expenses, and I will complete a separate additional form.

Activation and usage requirement disclosures: This service is a prepaid service and you must personally activate it by calling 1.877.283.3890. To keep your account active, you must use your Lifeline service at least once during any 60 day period by completing an outbound call, purchasing additional minutes from Company, answering an in-bound call from someone other than Company, or by responding to a direct contact from Company confirming that you want to continue receiving Lifeline service from Company. If your service goes unused for 60 days, you will no longer be eligible for Lifeline benefits and your service will be suspended (allowing only 911 calls and calls to the Company's customer care center) subject to a 30 day cure period during which you may use the service (as described above) or contact the Company to confirm that you want to continue receiving Lifeline service from Company.

 I hereby certify that I have read and understood the disclosures listed above regarding activation and usage requirements.

#### **Authorizations:**

I hereby authorize the Company to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program. I also authorize the Company to release any records required for the administration of the Lifeline program (e.g., name, telephone number and address), including to the Universal Service Administrative Company, to be used in a Lifeline database and to ensure the proper administration of the Lifeline Program. Failure to consent will result in denial of service.

Customer Application Information:	
First Name: Middle Name:	Last Name:
Date of Birth: Month: Day: Year: Last Four D	igits of Social Security Number:
If Qualifying for Lifeline by Income, number of Individuals in	Household:
Home Telephone Number (if available):	
Residential Address (P.O. Box NOT sufficient)	
Number: Apt: Street	City
State: Zip Code:	
Address is (choose one):   Permanent   Temporary	
Billing Address (if different from Residential Address) (P	
Number: Apt: Street	City
State: Zip Code:	
a = 11	
Applicant's Signature:	Date:
For Agent Use Only (short only 4 distribute	
For Agent Use Only (check only 1 eligibility category and only	1 box under that category; do not copy or retain documentation):
Documents Acceptable Proof for Income-Eligibility:	Documents Acceptable Proof for Program-Eligibility:
The prior year's state, federal, or Tribal tax return,	The current or prior year's statement of benefits from a qualifying state, federal
☐ Current income statement from an employer or paycheck stub, ☐ A Social Security statement of benefits,	or Tribal program;  A notice letter of participation in a qualifying state, federal or Tribal program;
A Veterans Administration statement of benefits,	
L I A veteralis Auministration Statement of benefits.	Program participation documents (e.g., the consumer's Supplemental Nutrition
A retirement/pension statement of benefits,	Program participation documents (e.g., the consumer's Supplemental Nutrition Assistance Program (SNAP) electronic benefit transfer card or Medicaid
☐ A retirement/pension statement of benefits, ☐ An Unemployment/Workmen's Compensation statement of benefits,	Assistance Program (SNAP) electronic benefit transfer card or Medicaid participation card (or copy thereof)); or
☐ A retirement/pension statement of benefits, ☐ An Unemployment/Workmen's Compensation statement of benefits, ☐ Federal or Tribal notice letter of participation in General Assistance, or	Assistance Program (SNAP) electronic benefit transfer card or Medicaid participation card (or copy thereof)); or  Another official document evidencing the consumer's participation in a
☐ A retirement/pension statement of benefits, ☐ An Unemployment/Workmen's Compensation statement of benefits, ☐ Federal or Tribal notice letter of participation in General Assistance, or ☐ A divorce decree, child support award, or other official document	Assistance Program (SNAP) electronic benefit transfer card or Medicaid participation card (or copy thereof)); or
☐ A retirement/pension statement of benefits, ☐ An Unemployment/Workmen's Compensation statement of benefits, ☐ Federal or Tribal notice letter of participation in General Assistance, or	Assistance Program (SNAP) electronic benefit transfer card or Medicaid participation card (or copy thereof)); or  Another official document evidencing the consumer's participation in a
☐ A retirement/pension statement of benefits, ☐ An Unemployment/Workmen's Compensation statement of benefits, ☐ Federal or Tribal notice letter of participation in General Assistance, or ☐ A divorce decree, child support award, or other official document	Assistance Program (SNAP) electronic benefit transfer card or Medicaid participation card (or copy thereof)); or  Another official document evidencing the consumer's participation in a